NIFA PANEL

NEW CONSTRUCTION
FOR PROFIT DEVELOPER / BUILDER
SHAWN MCGUIRE
GRI, CRS, MCSP, CAPS

• Broker / Sales Manager of Celebrity Homes
  • Omaha, Nebraska
SITE / MARKET ANALYSIS

- Amenities
  - Utilities
  - Schools
  - Existing / Future Amenities that will be a benefit to the community
  - Market Conditions

- Market Conditions - Existing & Future
  - Consumer Confidence
    - Example: "is the consumer feeling it at the pump" ($3.00)
  - Absorption projections realistic
SITE / MARKET ANALYSIS

• Risk vs Reward
  • Can realistic margins be met
• Do we have the human resources and expertise to manage project
  • “Have we seen it before?”
• Will finished product be marketable and desirable
  • Market studies of current sales, both used and new, are considered
  • Meet current needs and trends
SITE / MARKET ANALYSIS

- Governmental considerations
  - New Bills
  - Regulations
  - Military Funding (movement)
  - EPA Rules
  - and Much More!
NEW HOME APPRAISALS

• Educate the consumer of potential difficulties at time of contract
  • May need additional funds
• Create a system that allows you to search and recognize “good comparables”
  • Maintain records of YOUR Sales and know how to search the MLS
• Educate the appraisers and lenders of land/material/labor increases
  • Recent lumber increases of nearly 30%
  • LAND APPRECIATION
• Whenever possible, work with the Lender to identify quality appraisers
FINANCING NEW HOMES

• Establish relationships with lenders early. Discuss hurdles, expectations, and solutions
  • Understand TRID
  • Participate with Closing Costs
  • Identify lenders that understand YOUR buyer’s situations. Many lenders have different strengths
    • Help with higher DTI Ratios
    • Credit Worthiness
    • Length of employment
    • Minimal PMI
    • Local Underwriting
FINANCING NEW HOMES

• And of course .......... NIFA!
  • FHA – NIFA
  • VA – NIFA
  • Conventional – NIFA
  • NIFA - HBA

In today’s environment it is mandatory to understand FINANCING to assist your buyers .... Not only to obtain a New Home, but to do it in an affordable manner.